

1410 NORTH HILTON . BOISE, IDAHO 83706 . (208) 373-0502

JAMES E. RISCH, GOVERNOR TON: HARDESTY, DIRECTOR

August 7, 2006

Certified Mail No. 7005 1160 0000 1550 6872

Mr. Hank Nelson, Environmental Coordinator Avista Corporation 1411 East Mission Avenue Spokane, Washington 99220

Subject:

Facility ID No. 055-00040, Avista Corporation Rathdrum Combustion Turbine Project, Final

Tier I Operating Permit Letter - Tier I Operating Permit Renewal

Dear Mr. Nelson:

The Idaho Department of Environmental Quality (DEQ) is issuing Tier I Operating Permit No. T1-050109 to Avista Corporation for its Rathdrum combustion turbine facility in accordance with IDAPA 58.01.01.300 through 386, Rules for the Control of Air Pollution in Idaho.

The enclosed permit is effective immediately, summarizes the applicable requirements for your facility, and requires an annual compliance certification for all emissions units. This Tier I operating permit replaces Tier I Operating Permit No. 055-00040, issued October 16, 2001, the terms and conditions of which shall no longer apply.

The enclosed operating permit is based on the information contained in your permit application, received April 20, 2005. Modifications to and/or renewal of this operating permit shall be requested in a timely manner in accordance with the Rules.

Since this project does not significantly change the terms of your permit, DEQ will not contact you regarding a meeting to discuss the terms of the permit. However, if you wish to meet to discuss the permit terms and requirements, you may contact Dan Redline of the Coeur d'Alene Regional Office to schedule a meeting. If a meeting is scheduled, DEQ recommends the following representatives attend the meeting: your facility's plant manager, responsible official, environmental contact, and any operations staff responsible for day-to-day compliance with permit conditions.

Pursuant to IDAPA 58.01.23, you, as well as any other entity, may have the right to appeal this final agency action within 35 days of the date of this decision. However, prior to filing a petition for a contested case, I encourage you to call Bill Rogers at (208) 373-0502 to address any questions or concerns you may have with the enclosed permit.

Sincerely,

Martin Bauer, Administrator

Air Quality Division

MB/MS/bf

Permit No. T1-050109

Enclosure

G:\Air Quality\Stationary Source\Ss Ltd\T1\Avista-Ratbdrum Power\Finul\T1-050109 Final Pl.Doc

c: Dan Redline, Coeur d'Alene Regional Office
Bill Rogers, Permit Coordinator
Marilyn Seymore/Pat Rayne, Air Quality Division
Laurie Kral, EPA Region 10
Joan Lechtenberg, Public Comment
Source File
Permit Binder
Phyllis Heitman (Ltr Only)
Reading File (Ltr Only)



Air Quality TIER I OPERATING PERMIT

State of Idaho Department of Environmental Quality

PERMIT No.: T1-050109

FACILITY 1D No.: 055-00040

AQCR: 62

CLASS: A

SIC: 4911

ZONE: 11

UTM COORDINATE (km): 510.0, 5,294.3

1. PERMITTEE

Avista Corporation

2. PROJECT

Tier I Operating Permit Renewal

3. MAILING ADDRESS East 1411 Mission Avenue	CITY Spokane	STATE WA	ZIP 99220
4. FACILITY CONTACT Hank Nelson	TITLE Environmental Coordinator	TELEPHONE 509-495-4613	
5. RESPONSIBLE OFFICIAL Scott Morris TITLE President, Avista Utilities		TELEPHONE 800-727-9170	
6. EXACT PLANT LOCATION SW 1/4 Section 32, Township 25 North - Range 4 West; 2 miles SE of Rathdrum		COUNTY Kootenai	

7. GENERAL NATURE OF BUSINESS & KINDS OF PRODUCTS

Electricity Generation

8. PERMIT AUTHORITY

This Tier I operating permit is issued pursuant to Idaho Code §39-115 and the Rules for the Control of Air Pollution in Idaho, IDAPA 58.01.01.300 through 386. The permittee shall comply with the terms and conditions of this permit.

This permit incorporates all applicable terms and conditions of prior air quality permits issued by the Idaho Department of Environmental Quality (DEQ) for the permitted source, unless the permittee emits toxic pollutants subject to state-only requirements pursuant to IDAPA 58.01.01.210, and the permittee elects not to incorporate those terms and conditions into this operating permit.

The effective date of this permit is the date of signature by DEQ on the cover page.

TONI HARDESTY, DIRECTOR

DEPARTMENT OF ENVIRONMENTAL QUALITY

DATE ISSUED: August 7, 2006

DATE MODIFIED/AMENDED: August 7, 2011

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Acronyms, Units, and Chemical Nomenclature

AIRS Aerometric Information Retrieval System

AQCR Air Quality Control Region

ASTM American Society for Testing and Materials

Btu British thermal unit

CAA Clean Air Act

CFR Code of Federal Regulations

CO carbon monoxide

DEQ Department of Environmental Quality

dscf dry standard cubic feet

EPA U.S. Environmental Protection Agency

gr grain (1 lb = 7,000 grains)

hp horsepower

IDAPA a numbering designation for all administrative rules in Idaho promulgated in accordance

with the Idaho Administrative Procedures Act

km kilometer

MMBtu million British thermal units

MMBtu/hr million British thermal units per hour

MMscf/yr million standard cubic feet per year

NESHAP Nation Emission Standards for Hazardous Air Pollutants

NO_X nitrogen oxides

NSPS New Source Performance Standards

PM particulate matter

PM₁₀ particulate matter with an aerodynamic diameter less than or equal to a nominal 10

micrometers

Rules Rules for the Control of Air Pollution in Idaho

ppm parts per million

SIC Standard Industrial Classification

SO₂ sulfur dioxide

U.S.C. United States Code

UTM Universal Transverse Mercator

VOC volatile organic compound

AIR QUALITY TIER I OPERATING PERMIT NUMBER: T1-050109				
Permittee:	Avista Corporation		Date Issued:	August 7, 2006
		Facility ID No. 055-00040	Date Modified/Amended:	
Location:	Rathdrum, Idaho		Date Expires:	August 7, 2011

1. TIER I OPERATING PERMIT SCOPE

Purpose

- 1.1 This Tier I operating permit is the renewal of the facility's existing Tier I operating permit. This permit replaces Tier I Operating Permit No. 055-00040, issued October 16, 2001, the terms and conditions of which shall no longer apply.
- 1.2 This Tier I operating permit incorporates the following permits:
 - Permit to Construct No. 055-00040, issued September 7, 2001
 - Permit to Construct No. 055-00040, issued August 4, 1999

Regulated Sources

1.3 Table 1.1 lists all sources of emissions regulated in this Tier I operating permit.

Table 1.1 REGULATED SOURCES

Permit Condition	Source Description	Emissions Control(s)
3.1-3.19	Unit 1 - Combustion Turbine Manufacturer: General Electric; Model: PG7111EA Installed: 1994 Rated Capacity: 83.5 Megawatts Fuel: Natural Gas Maximum Hourly Fuel Usage: ~942,670 standard cubic feet per hour Fuel Usage: ~31,764 Million standard cubic feet per year	None
3,1-3.19	Unit 2 – Combustion Turbine Manufacturer: General Electric; Model: PG7111EA Installed: 1994 Rated Capacity: 83.5 Megawatts Fuel: Natural Gas Maximum Hourly Fuel Usage: ~ 942,670 standard cubic feet per hour Fuel Usage: ~ 31,764 Million standard cubic feet per year	None

	AIR QUALIT	Y TIER I OPERATING PERM	IT NUMBER: T1-050109	
Permittee:	Avista Corporation		Date Issued:	August 7, 2006
		Facility ID No. 055-00040	Date Modified/Amended:	
Location:	Rathdrum, Idaho		Date Expires:	August 7, 2011

2. FACILITY-WIDE CONDITIONS

The following table contains a summary of requirements that apply generally to emissions units at the facility.

Table 2.1 APPLICABLE REQUIREMENTS SUMMARY

Permit Condition	Parameter	Permit Limit/ Standard Summary	Applicable Requirements Reference	Monitoring and Recordkeeping Requirements
2.1	Fugitive dust	Reasonable control	IDAPA 58.01.01.651	2.2, 2.3, 2.4, 2.12
2.5	Odors	Reasonable control	IDAPA 58.01.01.775-776	2.6, 2.12
2.7	Visible emissions	20% or greater opacity for no more than 3 minutes in any 60-minute period	IDAPA 58.01.01.625	2.8, 2.12
2.9	Excess emissions	Compliance with IDAPA 58.01.01.130-136	IDAPA 58.01.01.130-136	2.12
2.10	Criteria air pollutants, opacity	Compliance testing	IDAPA 58.01.01.157	2.11, 2.12
2.11	Air quality standards	EPA reference test methods	IDAPA 58.01.01.157	2.10, 2.12
2.14	Sulfur Content	Sulfur content limits for fuel used, sold, or distributed.	IDAPA 58.01.01.728-729	2.12
2.15	Open burning	Compliance with IDAPA 58.01.01.600-616	IDAPA 58.01.01.600-616	2.12
2.16	Renovation and demolition	Compliance with 40 CFR 51, Subpart M	40 CFR 61, Subpart M	2.12
2.17	Chemical accident prevention provisions	Compliance with 40 CFR 58	40 CFR 68	2.12
2.18	Recycling and emissions reductions	Compliance with 40 CFR 82, Subpart F	40 CFR 82, Subpart F	2.12

Fugitive Dust

2.1 All reasonable precautions shall be taken to prevent PM from becoming airborne in accordance with IDAPA 58.01.01.650-651.

[IDAPA 58.01.01.650-651, 5/1/94]

2.2 The permittee shall monitor and maintain records of the frequency and the method(s) used (i.e., water, chemical dust suppressants, etc.) to reasonably control fugitive emissions.

[IDAPA 58.01.01.322.06, 07, 5/1/94]

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Permittee:	Avista Corporation		Date Issued:	August 7, 2006	
Landon	ocation: Rathdrum, Idaho	Facility ID No. 055-00040	Date Modified/Amended:		
rocation:			Date Expires:	August 7, 2011	

2.3 The permittee shall maintain records of all fugitive dust complaints received. The permittee shall take appropriate corrective action as expeditiously as practicable after receipt of a valid complaint. The records shall include, at a minimum, the date that each complaint was received and a description of the following: the complaint, the permittee's assessment of the validity of the complaint, any corrective action taken, and the date the corrective action was taken.

[IDAPA 58.01.01.322.06, 07, 5/1/94]

The permittee shall conduct a quarterly facility-wide inspection of potential sources of fugitive emissions, during daylight hours and under normal operating conditions to ensure that the methods used to reasonably control fugitive emissions are effective. If fugitive emissions are not being reasonably controlled, the permittee shall take corrective action as expeditiously as practicable. The permittee shall maintain records of the results of each fugitive emissions inspection. The records shall include, at a minimum, the date of each inspection and a description of the following: the permittee's assessment of the conditions existing at the time fugitive emissions were present (if observed), any corrective action taken in response to the fugitive emissions, and the date the corrective action was taken.

[IDAPA 58.01.01.322.06, 07, 5/1/94; IDAPA 58.01.01.322.08, 4/5/00]

Odors

2.5 The permittee shall not allow, suffer, cause, or permit the emission of odorous gases, liquids, or solids to the atmosphere in such quantities as to cause air pollution.

[IDAPA 58.01.01.775-776, 5/1/94]

2.6 The permittee shall maintain records of all odor complaints received. If the complaint has merit, the permittee shall take appropriate corrective action as expeditiously as practicable. The records shall include, at a minimum, the date each complaint was received and a description of the following: the complaint, the permittee's assessment of the validity of the complaint, any corrective action taken, and the date the corrective action was taken.

[IDAPA 58.01.01.322.06, 07 (state-only), 5/1/94]

Visible Emissions

2.7 The permittee shall not discharge any air pollutant to the atmosphere from any point of emission for a period or periods aggregating more than three minutes in any 60-minute period which is greater than 20% opacity as determined by procedures contained in IDAPA 58.01.01.625. These provisions shall not apply when the presence of uncombined water, nitrogen oxides, and/or chlorine gas is the only reason for the failure of the emission to comply with the requirements of this section.

[IDAPA 58.01.01.625, 4/5/00]

2.8 The permittee shall conduct a quarterly facility-wide inspection of potential sources of visible emissions, during daylight hours and under normal operating conditions. The inspection shall consist of a see/no see evaluation for each potential source of visible emissions. If any visible emissions are present from any point of emission, the permittee shall either take appropriate corrective action as expeditiously as practicable, or perform a Method 9 opacity test in accordance with the procedures outlined in IDAPA 58.01.01.625. A minimum of 30 observations shall be recorded when conducting the opacity test. If opacity is greater than 20% for a period or periods aggregating more than three

-	AIR QUALITY TIER I OPERATING PERMIT NUMBER: T1-050109				
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- 4		Facility 1D No. 055-00040	Date Modified/Amended:		
Location:	Rathdrum, Idaho		Date Expires:	August 7, 2011	

minutes in any 60-minute period, the permittee shall take all necessary corrective action and report the exceedance in its annual compliance certification and in accordance with IDAPA 58.01.01.130-136. The permittee shall maintain records of the results of each visible emission inspection and each opacity test when conducted. The records shall include, at a minimum, the date and results of each inspection and test and a description of the following: the permittee's assessment of the conditions existing at the time visible emissions are present (if observed), any corrective action taken in response to the visible emissions, and the date corrective action was taken.

[IDAPA 58.01.01.322.06, 07, 5/1/94; IDAPA 58.01.01.322.08, 4/5/00]

Excess Emissions

Execess Emissions - General

- 2.9 The permittee shall comply with the procedures and requirements of IDAPA 58.01.01.130-136 for excess emissions. The provisions of IDAPA 58.01.01.130-136 shall govern in the event of conflicts between Permit Condition 2.9 and the regulations of IDAPA 58.01.01.130-136.
- 2.9.1 The person responsible for or in charge of a facility during an excess emissions event shall, with all practicable speed, initiate and complete appropriate and reasonable action to correct the conditions causing the excess emissions event; to reduce the frequency of occurrence of such events; to minimize the amount by which the emission standard is exceeded; and shall, as provided below or upon request of DEQ, submit a full report of such occurrence, including a statement of all known causes, and of the scheduling and nature of the actions to be taken.

[IDAPA 58.01.01.132, 4/5/00]

Excess Emissions - Startup, Shutdown, Scheduled Maintenance

2.9.2 In all cases where startup, shutdown, or scheduled maintenance of any equipment or emission unit is expected to result or results in an excess emissions event, the owner or operator of the facility or emissions unit generating the excess emissions shall demonstrate compliance with IDAPA 58.01.01.133.01(a) through (d), including, but not limited to, the following:

[IDAPA 58.01.01.133, 4/5/00]

 A prohibition of any scheduled startup, shutdown, or maintenance resulting in excess emissions shall occur during any period in which an Atmospheric Stagnation Advisory or a Wood Stove Curtailment Advisory has been declared by DEQ.

[IDAPA 58.01.01.133.01.a, 3/20/97]

Notifying DEQ of the excess emissions event as soon as reasonably possible, but no later than
two hours prior to, the start of the event, unless the owner or operator demonstrates to DEQ's
satisfaction that a shorter advance notice was necessary.

[IDAPA 58.01.01.133.01.b, 4/5/00]

 The owner or operator of a source of excess emissions shall report and record the information required pursuant to Permit Conditions 2.9.4 and 2.9.5 and IDAPA 58.01.01.135 and 136 for each excess emissions event due to startup, shutdown, or scheduled maintenance.

[IDAPA 58.01.01.133.01.c, 3/20/97]

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LOZION:	Laurium, Idano		Date Expires:	August 7, 2011	

Excess Emissions - Upset, Breakdown, or Safety Measures

2.9.3 In all cases where upset or breakdown of equipment or an emissions unit, or the initiation of safety measures, results or may result in an excess emissions event, the owner or operator of the facility or emissions unit generating the excess emissions shall demonstrate compliance with IDAPA 58.01.01.134.01(a) and (b) and the following:

[IDAPA 58.01.01.134, 4/5/00]

2.9.3.1 For all equipment or emissions units from which excess emissions result during upset or breakdown conditions, or for other situations that may necessitate the implementation of safety measures which cause excess emissions, the facility owner or operator shall comply with the following:

[IDAPA 58.01.01.134.02, 4/5/00]

The owner or operator shall immediately undertake all appropriate measures to reduce and, to the
extent possible, eliminate excess emissions resulting from the event and to minimize the impact
of such excess emissions on the ambient air quality and public health.

[IDAPA 58.01.01.134.02.a, 4/5/00]

• The owner or operator shall notify DEQ of any upset, breakdown, or safety event that results in excess emissions. Such notification shall identify the time, specific location, equipment or emissions unit involved, and (to the extent known) the cause(s) of the occurrence. The notification shall be given as soon as reasonably possible, but no later than 24 hours after the event, unless the owner or operator demonstrates to DEQ's satisfaction that the longer reporting period was necessary.

[IDAPA 58.01.01.134.02.b, 4/5/00]

• The owner or operator shall report and record the information required pursuant to Permit Conditions 2.9.4 and 2.9.5 and IDAPA 58.01.01.135 and 136 for each excess emissions event caused by an upset, breakdown, or safety measure.

[IDAPA 58.01.01.134.02.c, 3/20/97]

2.9.3.2 During any period of excess emissions caused by upset, breakdown, or operation under facility safety measures, DEQ may require the owner or operator to immediately reduce or cease operation of the equipment or emissions unit causing the period until such time as the condition causing the excess has been corrected or brought under control. Such action by DEQ shall be taken upon consideration of the factors listed in IDAPA 58.01.01.134.03 and after consultation with the facility owner or operator.

[IDAPA 58.01.01.134.03 4/5/00]

Excess Emissions - Reporting ad Recordkeeping

2.9.4 A written report for each excess emissions event shall be submitted to DEQ by the owner or operator no later than 15 days after the beginning of such an event. Each report shall contain the information specified in IDAPA 58.01.01.135.02.

[IDAPA 58.01.01.135.01 and 02, 3/20/97]

2.9.5 The owner or operator shall maintain excess emissions records at the facility for the most recent five-calendar-year period. The excess emissions records shall be made available to DEQ upon request

	AIR QUALITY TIER I OPERATING PERMIT NUMBER: T1-050109				
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Location: Rathdrum, Idaho			Date Expires:	August 7, 2011	

and shall include the information requested by IDAPA 58.01.01.136.03(a) and (b) as summarized in the following:

[IDAPA 58.01.01.136.01, 02, 3/20/97; IDAPA 58.01.01.136.03, 4/5/00]

 An excess emissions record book for each emissions unit or piece of equipment containing copies of all reports that have been submitted to DEQ pursuant to IDAPA 58.01.01.135 for the particular emissions unit or equipment; and

[IDAPA 58.01.01.136.03.a, 4/5/00]

 Copies of all startup, shutdown, and scheduled maintenance procedures and upset, breakdown, or safety preventative maintenance plans that have been developed by the owner or operator in accordance with IDAPA 58.01.01.133 and 134, and facility records as necessary to demonstrate compliance with such procedures and plans.

[IDAPA 58.01.01.136.03.b, 3/20/97]

Compliance Testing

2.10 If compliance or performance testing is required, the permittee shall provide notice of intent to test to DEQ at least 15 days prior to the scheduled test or shorter time period as provided in a permit, order, consent decree, or by DEQ approval. DEQ may, at its option, have an observer present at any emissions tests conducted on a source. DEQ requests such testing not be performed on weekends or state holidays.

All testing shall be conducted in accordance with the procedures in IDAPA 58.01.01.157. Without prior DEQ approval, any alternative testing is conducted solely at the permittee's risk. If the permittee fails to obtain prior written approval by DEQ for any testing deviations, DEQ may determine that the testing does not satisfy the testing requirements. Therefore, prior to conducting any compliance test, the permittee is encouraged to submit in writing to DEQ, at least 30 days in advance, the following for approval:

- The type of method to be used
- Any extenuating or unusual circumstances regarding the proposed test
- The proposed schedule for conducting and reporting the test

The permittee shall submit a compliance test report for the respective test to DEQ within 30 days following the date in which a compliance test required by this permit is concluded. The compliance test report shall include all process operating data collected during the test period as well as the test results, raw test data, and associated documentation, including any approved test protocol.

	AIR QUALITY TIER I OPERATING PERMIT NUMBER: T1-050109				
Permittee:	Avista Corporation		Date Issued:	August 7, 2006	
Landing	D-shd	Facility ID No. 055-00040	Date Modified/Amended:		
Location:	Rathdrum, Idaho		Date Expires:	August 7, 2011	

The proposed test date(s), test date rescheduling notice(s), compliance test report, and all other correspondence shall be sent to the following address:

Air Quality Permit Compliance
Department of Environmental Quality
Coeur d'Alene Regional Office
2110 IronWood Parkway
Coeur d'Alene 83814

Phone: (208) 769-1422 Fax: (208) 769-1404

[IDAPA 58.01.01.157, 4/5/00; IDAPA 58.01.01.322.06, 08.a, 09, 5/1/94]

Test Methods

2.11 If testing is required, the permittee shall use the test methods listed in Table 2.2 to measure the pollutant emissions.

Table 2.2 EPA REFERENCE TEST METHODS

Pollutant	Test Method *	Special Conditions
DL (EPA Method 201A and	
PM ₁₀	EPA Method 202	
PM	EPA Method 5	
NOx	EPA Method 7	<u></u>
SO ₂	EPA Method 6	
CO	EPA Method 10	
VOC	EPA Method 25	
Opacity	EPA Method 9	

^{*} Or DEQ-approved alternative in accordance with IDAPA 58.01.01.157

Monitoring and Recordkeeping

2.12 The permittee shall maintain sufficient records to assure compliance with all of the terms and conditions of this operating permit. Records of monitoring information shall include, but not be limited to, the following: (a) the date, place, and times of sampling or measurements; (b) the date analyses were performed; (c) the company or entity that performed the analyses; (d) the analytical techniques or methods used; (e) the results of such analyses; and (f) the operating conditions existing at the time of sampling or measurement. All monitoring records and support information shall be retained for a period of at least five years from the date of the monitoring sample, measurement, report, or application. Supporting information includes, but is not limited to, all calibration and maintenance records, all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit. All records required to be maintained by this permit shall be made available in either hard copy or electronic format to DEQ representatives upon request.

[IDAPA 58.01.01.322.07, 5/1/94]

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Permittee:	Avista Corporation		Date Issued:	August 7, 2006	
	Dathday Idaha	Facility ID No. 055-00040	Date Modified/Amended:		
Location:	Rathdrum, Idaho		Date Expires:	August 7, 2011	

Reports and Certifications

2.13 All periodic reports and certifications required by this permit shall be submitted to DEQ within 30 days of the end of each specified reporting period. Excess emissions reports and notifications shall be submitted in accordance with IDAPA 58.01.01.130-136. Reports, certifications, and notifications shall be submitted to:

Air Quality Permit Compliance
Department of Environmental Quality
Coeur d'Alene Regional Office
2110 IronWood Parkway
Coeur d'Alene 83814
Phone: (208) 769, 1422, Fax: (208) 769, 1

Phone: (208) 769-1422 Fax: (208) 769-1404

The periodic compliance certification required by General Provision 21 shall also be submitted within 30 days of the end of the specified reporting period to:

EPA Region 10 Air Operating Permits, OAQ-107 1200 Sixth Ave. Seattle, WA 98101

[IDAPA 58.01.01.322.08, 11, 5/1/94]

Sulfur Content

- 2.14 The permittee shall not sell, distribute, use, or make available for use any distillate fuel oil containing more than the following percentages of sulfur:
 - ASTM Grade 1 fuel oil 0.3% by weight.
 - ASTM Grade 2 fuel oil 0.5% by weight.

[IDAPA 58.01.01.728, 5/1/94]

Open Burning

2.15 The permittee shall comply with the Rules for Control of Open Burning, IDAPA 58.01.01.600-616.

[IDAPA 58.01.01.600-616, 4/5/00]

Renovation/Demolition

2.16 The permittee shall comply with all applicable portions of 40 CFR 61, Subpart M when conducting any renovation or demolition activities at the facility.

[40 CFR 61, Subpart M]

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Location:	Rathdrum, Idaho		Date Expires:	August 7, 2011	

Regulated Substances for Accidental Release Prevention

- An owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process, as determined under 40 CFR 68.115, shall comply with the requirements of the Chemical Accident Prevention Provisions at 40 CFR 68 no later than the latest of the following dates:
 - Three years after the date on which a regulated substance present above a threshold quantity is first listed under 40 CFR 68.130.
 - The date on which a regulated substance is first present above a threshold quantity in a process.

 [40 CFR 68.10 (a)]

Recycling and Emissions Reductions

2.18 The permittee shall comply with applicable standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, Recycling and Emissions Reduction.

[40 CFR 82, Subpart F]

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Permittee:	Avista Corporation		Date Issued:	August 7, 2006	
•	Rathdrum, Idaho	Facility ID No. 055-00040	Date Modified/Amended:		
Location:	Kamurum, Idano		Date Expires:	August 7, 2011	

3. GENERAL ELECTRIC COMBUSTION TURBINES NO. 1 AND NO. 2

Summary Description

Table 3.1 describes the devices used to control emissions from each combustion turbine:

Table 3.1 EMISSIONS UNITS AND EMISSIONS CONTROL DEVICES

Emissions Units / Processes	Emissions Control Device
Unit 1 – General Electric Model PG7111EA Frame 7 combustion gas turbine	Dry Low Nitrogen Oxide Combustor
Unit 2 - General Electric Model PG7111EA Frame 7 combustion gas turbine	Dry Low Nitrogen Oxide Combustor

Table 3.2 contains only a summary of the requirements that apply to the combustion turbines designated as Unit 1 and Unit 2. Specific permit requirements are listed below Table 3.2.

Table 3.2 APPLICABLE REQUIREMENTS SUMMARY

Permit Conditions	Parameter	Permit Limit / Standard Summary	Applicable Requirements Reference	Operating, Monitoring, and Recordkeeping Requirements
3.1	Particulate Matter	0.015 grains per dry standard cubic foot at 3% oxygen for gas	IDAPA 58.01.01.677	3.10
3.2	Opacity	20% for 3 minutes in any 60 minute period	IDAPA 58.01.01.625 PTC ⁴ No. 055-00040	2.8
3.3	Particulate Matter & PM ₁₀	14 pounds per hour and 59 tons per year	PTC No. 055-00040	3.11, 3.12, 3.13, and 3.18
3.4	Nitrogen oxides	104 pounds per hour and 235.5 tons per year	PTC No. 055-00040	3.14 and 3.17
3.5	Volatile organic compounds	3.6 pounds per hour and 15.2 tons per year	PTC No. 055-00040	3.11, 3.12, 3.13, and 3.18
3.6	Sulfur dioxide	6.0 pounds per hour and 19.8 tons per year	PTC No. 055-00040	3.11, 3.12, 3.13, and 3.18
3.7	Carbon monoxide	106 pounds per hour and 240 tons per year	PTC No. 055-00040	3.16 and 3.17
3.8	Nitrogen Oxide Concentration	Per equation	40 CFR 60.332(a)(1) PTC No. 055-00040	3.14, 3.15.2, and 3.17
3.9	Sulfur Dioxide Concentration	0.015% by volume at 15% oxygen or fuel sulfur not in excess of 0.8% by weight	40 CFR 60.333 PTC No. 055-00040	3.15.1
3.10	Fuel	Natural gas exclusively	PTC No. 055-00040	3.12, and 3.18
3.11	Operating Time	Turbines limited to 16,848 hr/yr	PTC No. 055-00040	3.12, 3.13, and 3.18

^{&#}x27;Permit to construct.

⁶Particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers.

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Location:	Location: Rathdrum, Idaho		Date Expires:	August 7, 2011	

Permit Limits / Standard Summary

3.1 Emissions of PM from each turbine shall not exceed the grain loading emission limits of 0.015 gr/dscf of effluent gas corrected to three percent oxygen by volume for natural gas.

[IDAPA 58.01.01.677, 5/1/94]

3.2 The permittee shall not discharge any air pollutant to the atmosphere from any point of emission for a period or periods aggregating more than three minutes in any 60-minute period which is greater than 20 percent opacity as determined by procedures contained in the IDAPA 58.01.01.625 (Rules for the Control of Air Pollution in Idaho).

[IDAPA 58.01.01.625, 4/5/00]

3.3 Emissions of PM and particulate matter with an aerodynamic diameter less than or equal to a nominal ten micrometers (PM₁₀) from the facility's two turbines shall not exceed 14 pounds per hour or 59 tons per any consecutive 12 months.

[PTC No. 055-00040, 9/7/01]

3.4 Emissions of NO_x from the facility's two turbines shall not exceed 104 pounds per hour or 235.5 tons per any consecutive 12 months.

[PTC No. 055-00040, 9/7/01]

3.5 Emissions of volatile organic compounds (VOC) from the facility's two turbines shall not exceed 3.6 pounds per hour or 15.2 tons per any consecutive 12 months.

[PTC No. 055-00040, 9/7/01]

3.6 Emissions of sulfur dioxide (SO₂) from the facility's two turbines shall not exceed 6 pounds per hour or 19.8 tons per any consecutive 12 months.

[PTC No. 055-00040, 9/7/01]

3.7 Emissions of carbon monoxide (CO) from the facility's two turbines shall not exceed 106 pounds per hour or 240 tons per any consecutive 12 months.

[PTC No. 055-00040, 9/7/01]

3.8 As required by 40 CFR 60.332(a)(1), the permittee shall not cause to be discharged to the atmosphere from any gas turbine, any gases which contain NO_x in excess of:

STD =
$$0.0075 * (14.4) + F$$

Where:

- STD = allowable ISO corrected (if required as given in 60.335(b)(1)) NO_X emission concentration (percent by volume at 15 percent oxygen and on a dry basis),
- Y = Manufacturer's rated heat rate at manufacturer's rated load (kilojoules per watt hour), or the actual measured heat rate based on the lower heating value of fuel as measured at the actual peak load for the facility. The value of Y shall not exceed 14.4 kilojoules per watt hour.

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 $F = NO_x$ emission allowance for fuel-bound nitrogen as defined in paragraph (a)(3) of 40 CFR 60.332. [PTC No. 055-00040, 9/7/01]

3.9 Emissions of SO₂ from each of the turbines shall not exceed 0.015 percent by volume of exhaust gas at 15 percent oxygen and on a dry basis, or the permittee shall not burn fuel which contains sulfur in excess of 0.8 percent by weight.

[PTC No. 055-00040, 9/7/01]

Operating Requirements

3.10 Each of the turbines shall be exclusively fired by natural gas only.

[PTC No. 055-00040, 9/7/01]

3.11 The maximum annual hours of operation of the facility's two turbines shall not exceed 16,848 hours in a calendar year.

[PTC No. 055-00040, 9/7/01]

Monitoring and Recordkeeping Requirements

3.12 The permittee shall monitor and record the hours of operation and hourly usage of natural gas from each of the turbines.

[PTC No. 055-00040, 9/7/01]

- 3.13 The permittee shall record the hours of operation for each turbine in a monthly report to be kept onsite for a five year minimum period and made available to DEQ representatives upon request.

 [PTC No. 055-00040, 9/7/01]
- 3.14 The permittee shall install, calibrate, maintain, and operate a continuous emissions monitoring system (CEMS) for monitoring and recording stack gas concentrations and the pound-per-hour emission rate of NO_x from each turbine. The CEMS shall conform to the NO_x CEM requirements of 40 CFR 75 including measuring the concentration of oxygen.

[PTC No. 055-00040, 9/7/01]

- 3.15 The following permit conditions pertain to the fuel monitoring requirements of 40 CFR 60 Subpart GG.
- 3.15.1 The permittee shall use one of the following information sources to demonstrate compliance with the SO₂ standard established in Permit Condition 3.9. The gas quality characteristics for fuel combusted in either combustion turbine shall be specified in a current, valid purchase contract, tariff sheet or transportation contract for the gaseous fuel. The characteristics shall specify the maximum total sulfur content of the fuel is 20.0 grains per 100 standard cubic foot or less. The permittee shall make available the current, valid purchase contract, tariff sheet or transportation contract in either hard copy or electronic format to DEQ representatives upon request.

[IDAPA 58.01.01.07, 5/1/94; 40 CFR 60, Subpart GG]

		.			
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3.15.2 The permittee shall monitor the nitrogen content of the fuel combusted in the turbine, if the permittee claims an allowance for fuel bound nitrogen to establish a NOx emissions limit per the equation in Permit Condition 3.8. The nitrogen content of the fuel shall be determined using methods described in 60.335(b)(9) or an approved alternative. The permittee is not required to monitor fuel bound nitrogen; however, the permittee cannot claim an allowance for fuel bound nitrogen without monitoring data collected in accordance 60.335(b)(9) or an approved alternative.

[IDAPA 58.01.01.07, 5/1/84; 40 CFR 60, Subpart GG]

3.16 The permittee shall install, calibrate, maintain, and operate a CEMS for the monitoring and recording of stack gas concentrations and hourly emission rates of CO from each turbine. The CO CEMS shall meet all specifications and requirements of the most recent Quality Assurance Plan which covers the CO CEMS. The permittee shall make available the most recent Quality Assurance Plan in either hard copy or electronic format to DEO representatives upon request.

[IDAPA 58.01.01.322.06, 5/1/94]

- 3.16.1 In addition to the specifications and requirements of the current Quality Assurance Plan, the permittee shall use the following audit procedures to evaluate the effectiveness of quality control and quality assurance procedures and the quality of data produced by the CO CEMS. The CO CEMS must be audited via a Relative Accuracy Test Audit (RATA) or cylinder gas audit (CGA) at least once each operating quarter. Successive quarterly audits shall occur no closer than two months apart. An operating quarter is defined as a calendar quarter in which there are at least 168 unit operating hours (i.e., a clock hour during which a unit combusts any fuel, either for part of the hour or for the entire hour).
 - [IDAPA 58.01.01.322.06, 5/1/94]
- 3.16.1.1 The permittee must conduct a RATA in accordance with Section 5.1.1 of Appendix F of 40 CFR 60 and Performance Specification 4, 4A, or 4B of Appendix B of 40 CFR 60 at least once every four operating quarters.

[IDAPA 58.01.01.322.06, 5/1/94]

3.16.1.2 The permittee may audit the CEMS via a cylinder gas audit conducted in accordance with Section 5.1.2 of Appendix F of 40 CFR 60 in three of four operating quarters, but in no more than three operating quarters in succession.

[IDAPA 58.01.01.322.06, 5/1/94]

Reporting Requirements

3.17 The permittee shall report the CEM data acquired by the monitoring required by Sections 3.14 and 3.16 of this permit to DEQ and the EPA in a calendar quarterly report to be received no later than 30 days after each calendar quarter.

[PTC No. 055-00040, 9/7/01]

3.18 The permittee shall report the hourly turbine operation and fuel usage data acquired by the monitoring required by Section 3.12 of this permit to DEQ and the EPA in a calendar quarterly report to be received no later than 30 days after each calendar quarter.

[IDAPA 58.01.01.322.08(a), 5/1/94]

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3.19 All documents including, but not limited to, records, monitoring data, supporting information, requests for confidential treatment, testing reports, and compliance certifications submitted to DEQ shall contain a certification by a responsible official. The certification shall state that based on the information and belief formed after reasonable inquiry, the statements and information in the document(s) are true, accurate, and complete.

[PTC No. 055-00040, 9/7/01]

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4. INSIGNIFICANT ACTIVITIES

Activities and emission units identified as insignificant under IDAPA 58.01.01.317.01(b) are listed in the Tier I operating permit to qualify for a permit shield.

Table 4.1. INSIGNIFICANT EMISSION UNITS

Emission Unit Description	Insignificant Activities IDAPA Citation Section 317.01.b
Storage tanks with lids or closure and a capacity < 260 gallons	317.01.b.i.1
Storage tanks with lids or closure and a capacity ≤ 1,100 gallons; not used with Hazardous Air Pollutants; contents have maximum vapor pressures of 550-millimeters of mercury	317.01.b.i.2
Storage tanks with lids or closure and a capacity ≤ 10,000 gallons; contents have vapor pressure not greater than 80-millimeters of mercury at 21° C	317.01.b.i.3
Butane, propane, and liquefied petroleum gas storage tanks with a capacity $< 40,000$ gallons	317.01.b.i.4
Combustion source burning exclusively natural gas, butane, propane and/or liquefied petroleum gas with a capacity < 5,000,000 British thermal units per hour	317.01.b.i.5
Welding using not more than 1 ton per day of welding rod	317.01.b.i.9
Water cooling towers and ponds, not using chromium inhibitors, barometric jets, or condensers, with a capacity $\leq 10,000$ gallons per minute, and not in direct contact with process streams containing regulated air pollutants	317.01.b.i.13
Space heater using natural gas, propane, or kerosene and generating < 5,000,000 British thermal units per hour	317.01.b.i.18
Cleaning and stripping activities and equipment using solutions having < 1% volatile organic compounds by weight. Acid solutions on metallic substrate are not insignificant	317.01.b.i.26
An emissions unit or activity with emissions less than or equal to 10% of levels contained in IDAPA 58.01.01.006 of the definition of significant and no more than 1 ton per year of any hazardous air pollutant	317.01.b.i.30

4.1 There are no monitoring, recordkeeping, or reporting requirements for insignificant emission units or activities beyond those required in the Facility-wide Permit Conditions.

[IDAPA 58.01.01.322.06, 5/1/94]

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5. TITLE IV ACID RAIN PERMIT – GENERAL ELECTRIC COMBUSTION TURBINES NO. 1 AND NO. 2

Statement of Basis

5.1 In accordance with IDAPA 58.01.01 (Rules for the Control of Air Pollution in Idaho) and Titles IV and V of the Clean Air Act, DEQ issues this permit pursuant to IDAPA 58.01.01.300.

SO₂ Allowance Allocations and NO_x Requirements

5.2 Avista Corporation is not required to obtain SO₂ allowances under 40 CFR 73 and the source is not subject to NO_x limits of 40 CFR 76.

Comments, Notes, and Justifications

5.3 None.

Compliance with Permit Application

5.4 The owners and operators of Avista Corporation shall comply with the standard requirements and special provisions set forth in the EPA Phase II standard application signed and dated December 12, 1997.

Permit Application

5.5 Attached is a copy of the Phase II permit application.

AIR QUALITY TIER I OPERATING PERMIT NUMBER: T1-050109 Permittee: Avista Corporation Location: Rathdrum, Idaho Facility ID No. 055-00040 Date Issued: August 7, 2006 Date Modified/Amended: Date Expires: August 7, 2011

<u>.</u>	F	ΡΔ	

Unit States Env nental Protection Agency Acid nain Program	OMB No. 2060-0258 Expires 1-31-56
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Phase II Permit Application RECEIVED

For more information, see instructions and refer to 40 CFR 72.30 and 72.31

Compliance Plan DEC 1 8 1997

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Revised

ON OF ENVIRONMENTAL QUALITY AIR & HAZARDOUS WASTE

STEP 1 Identify the source by plant name, State, and ORIS code from NADB

	·····					_
RATHDRUM	COMBUSTION	TURBING	Project	I)	7456	
Plant Name			-	State	ORIS Code	

STEP 2
Enter the boiler ID#
from MADS for each
affected unit, and
indicate whether a
repowering plan is
being submitted for
the unit by entering
"yes" or "no" at
column o, For new
units, enter the requested information
in columns d and a

	b	¢	đ	•
Soiler 10#	Unit Will Hold Allow- ances in	Repowering Plan	New Units	New Units
	Accordance with 40 CFR 72.9(a)(1)		Commence Operation Data	Monitor Cardification Deadline
l	Yei		1-1-95	
ير	Yei		1-1-95	
	Yes			
	Yes			
	Yes			
	Yaq			
	Yes			· · · · ·
	Yes			
	Yes			
	Yea			
	Yes			
	Yes	·		

STEP 3 Check the bax if the response in column c of Step 2 is "Yes" for any unit For each unit that will be repowered, the Repowering Extension Plan form is included and the Repowering Technology Petition form has been submitted or will be submitted by June 1. 1997.

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	Kamurum, Idano		Date Expires:	August 7, 2011		

	Phase II Permit - Page 2
Man, Jeme (from Sted 1)	

STEP 4
Read the standard requirements and certification, enter the name of the designated representative, and sign and date

Standard Requirements

Family Remissions of a

- (1) The designated representative of each affected source and each affected unir at the source shall:

 (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR par; 72 in accordance with the deadlines specified in 40 CFR 72.30; and (ii) Submit in a timely manner any supplemental information that the permitting authority determines is nicessary in order to review an Acid Rain permit application and issue or dany an Acid Rain permit;

 (12) The owners and operators of each affected source and each affected unit at the source shall:

 (3) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and (ii) thave an Acid Rain Permit.

Monitorino Becuir senente

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR parts 74, 75, and 76.
- 40 CFR parts 74, 75, and 76. (2) The emissions with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program. (2) The requirements of 40 CFR parts 74 and 75 shall not affect the reprincipality of the owners and operators to monitor emissions of other pollutants or other emissions otherecteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfra Digwide Bequiregrenss.

- (1) The owners and operators of each squrce and each effected unit at the source shall:
 (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the
- previous calendar year from the unit; and
 iii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.

 (2) Each ton of sulfur dioxide smitzed in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.

 (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide
- requirements as failaws:

- requirements as follows:

 (i) Starting January 1, 2000, an effected unit under 40 CFR 72.8[a](2); or

 (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part

 75, an effected unit under 40 CFR 72.5[a](3).

 (4) Allowantes shall be held in, deducted from, or transferred among Allowantes Tracking Bystem
 accounts in accordance with the Acid Rain Program.

 (5) An ellowance shall not be deducted in order to comply with the requirements under paragraph (1)(i) of
 the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.

 (6) An ellowance allocated by the Administrator under the Acid Rain Program is a limited authorization to
 emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the
 Acid Rain permit application, the Acid Rain permit, or the wristen examption under 40 CFR 72.7 and 72.8
 and no provision of law shall be construed to limit the wristen examption under 40 CFR 72.7 and 72.8

 2) An ellowance allocated by the Administrator under the Acid Rain Program does not constitute of
 limit the authority of the United States to terminate or limit

 (7) An ellowance allocated by the Administrator under the Acid Rain Program does not constitute a
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Mitrogen Oxides Bequirements. The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

- (1) The dissignated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.

 (2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:

 (i) Pey without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and

 (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordseeping and Begarting Bequirements.

- (1) Unless otherwise grovided, the owners and operators of the source and each affected unit at the source shall keep on site at the source sech of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:

 (ii) The cartificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source heyand such 5-year period until such decuments are superseded because of the submission of a new certificate of representation changing the designated representative: regresentative;

 - (iii) All emissions mankaring information, in accordance with 40 CFR part 75; (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

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				sse Il Permit - Page 3			
		Plan Jame (from Step 1)	,	ent a saud - Lade 7			
		Becordinging and Reporting Requirements Iron	pt.l				
		(iv) Copies of all documents used to comple submission under the Acid Rain Program or Acid Rain Program.	te an Acid Rain permit application and to demonstrate compliance with the r	fany other equirements of the			
		(2) The designated representative of an affecte the reports and compliance certifications require CFR part 72 subpart I and 40 CFR part 75.	d source and each affected unit at the ad under the Acid Rain Program, include 	: source shall submit ling thase under 40			
		Liability. (1) Any person who knowingly violates any req	ukement or prohibition of the Acid Ra	in Program, a			
		(1) Any person who knowingly violetes any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penelty owned to the United States, shall be subject to enforcement gursuant to section 113(c) of the Act. (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the					
		Act and 18 U.S.C. 1001. (3) No permit revision shall excuse any violation prior to the date that the revision takes effect. (4) Each affected source and each affected unit	n of the requirements of the Acid Rain t shall mast the requirements of the A	Program that occurs			
		(5) Any provision of the Acid Rain Program the applicable to the designated representative of a operators of such source and of the affected un (5) Any provision of the Acid Rain Program that applicable to the designated representative of a operators of such unit. Except as provided und	n affected source) shall also apply to t its at the source. I applies to an affected unit (including In affected unit) shall also apply to the	the owners and a growteion owners and			
		and 40 CFR 76.11 INQ averaging plants, and a with a commen stack under 40 CFR part 75 lin- end operators and the designated representative by any other affected unit of which they are no that is located at a source of which they are no that is located at a source of which they are no 11 Each violation of a provision of 40 CFR and affected unit, or by an owner or operator or dea	pleage with regard to the requirements chusing 40 GFR 75.18, 75.17, and 75 s of one affected unit shall not be liable t gwners or operators of the designate t gwners or operators of the designate a 72.73, 74, 75, 76, 77, and 76 by a	eggicable to units 18], the owners of for any violation of representative and of representative, and eggicable source or			
		separate violation of the Act. Effect on Other Authorities. No provision of the	Acid Rain Program, an Acid Rain pen	mit application, an			
		Acid Rain permit, or a written exemption under (1) Except as expressly provided in title IV of the and, to the extent applicable, the designated recompliance with any other provision of the Act.	e Act, exempting or excluding the ownership and a series of an affected source or a including the provisions of tide I of the	ners and operators			
		applicable National Ambient Air Quality Standar, 19 United the number of allowances a unit cat the united shall not offect the source's obligation (3) Anguiring a change of any kind in any State any State (sw. regarding such State squiation, of review requirements under such State law).	n hold; provided, that the number of a to comply with any other provisions o law regulating electric utility rates an or firming such State regulation, include the firming such State regulation, include	f the Ast; d charges, affecting ling any prudenca			
		(6) Modifying the Faderal Fower Act or affection Commission under the Federal Fower Act; or, (5) Interfering with or impairing any program for such program is established.	•	_			
		Contification		allaneed animas as			
		I am authorized to make this submission on behalafected units for which the submission is made examined, and am familiar with, the stramments attachments. Seed on my inquiry of those indi-information. I cartify that the statements and in accurate, and complete. I am aware that there and information or unlitting required statements imprisonment.	. I certify under penalty of law that I and information submitted in this doc viduals with primary responsibility for formation and to the best of my knowled age significant penalties for submitting and information, including the possible.	have personally ument and all its obtaining the edge and belief true. I false statements			
		R.D. Fukai Poi Vice President	pert D. Fullar				
		Vice President	ly	17/47			

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Location: Rathdrum, Idaho			Date Expires:	August 7, 2011		

TIER I OPERATING PERMIT GENERAL PROVISIONS

General Compliance

1. The permittee shall comply with all conditions of this permit. Any permit noncompliance constitutes a violation and is grounds for enforcement action; for permit termination, revocation and reissuance, or revision; or for denial of a permit renewal application.

[IDAPA 58.01.01.322.15.a, 5/1/94; 40 CFR 70.6(a)(6)(i)]

- 2. It shall not be a defense in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the terms and conditions of this permit.

 [IDAPA 58.01.01.322.15.b, 5/1/94; 40 CFR 70.6(a)(6)(ii)]
- Any permittee who fails to submit any relevant facts or who has submitted incorrect information in a
 permit application shall, upon becoming aware of such failure or incorrect submittal, promptly submit
 such supplementary facts or corrected information.

[IDAPA 58.01.01.315.01, 5/1/94; 40 CFR 70.5(b)]

Reopening

4. This permit may be revised, reopened, revoked and reissued, or terminated for cause. Cause for reopening exists under any of the circumstances listed in IDAPA 58.01.01.386. Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Such reopening shall be made as expeditiously as practicable in accordance with IDAPA 58.01.01.360 through 369.

[IDAPA 58.01.01.322.15.c, 5/1/94; IDAPA 58.01.01.386, 3/19/99; 40 CFR 70.7(f)(1), (2); 40 CFR 70.6(a)(6)(iii)]

5. The filing of a request by the permittee for a permit revision, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.

[IDAPA 58.01.01.322.15.d, 5/1/94; 40 CFR 70.6(a)(6)(iii)]

Property Rights

6. This permit does not convey any property rights of any sort, or any exclusive privilege.

[DAPA 58.01.01.322.15.e, 5/1/94; 40 CFR 70.6(a)(6)(iv)]

Information Requests

7. The permittee shall furnish all information requested by DEQ, within a reasonable time, that DEQ may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit.

[idaho Code §39-108; IDAPA 58.01.01.122, 4/5/00; IDAPA 58.01.01.322.15.f, 4/5/00; 40 CFR 70.6(a)(6)(v)]

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8. Upon request, the permittee shall furnish to DEQ copies of records required to be kept by this permit. For information claimed to be confidential, the permittee may furnish such records along with a claim of confidentiality in accordance with Idaho Code §39-342A and applicable implementing regulations including IDAPA 58.01.01.128.

[IDAPA 58.01.01.322.15.g, 5/1/94; IDAPA 58.01.01.128, 4/5/00; 40 CFR 70.6(a)(6)(v)]

Severability

9. The provisions of this permit are severable, and if any provision of this permit to any circumstance is held invalid, the application of such provision to other circumstances, and the remainder of this permit shall not be affected thereby.

[IDAPA 58.01.01.322.15.h, 5/1/94; 40 CFR 70.6(a)(5)]

Changes Requiring Permit Revision or Notice

- 10. The permittee may not commence construction or modification of any stationary source, facility, major facility, or major modification without first obtaining all necessary permits to construct or an approval under IDAPA 58.01.01.213, or complying with IDAPA 58.01.01.220 through 223. The permittee shall comply with IDAPA 58.01.01.380 through 386 as applicable.

 [IDAPA 58.01.01.200-223, 4/6/05; IDAPA 58.01.01.322.15.i, 3/19/99; IDAPA 58.01.01.380-386, 7/1/02; 40 CFR 70.4(b)(12), (14), (15), and 70.7(d), (e)]
- 11. Changes that are not addressed or prohibited by the Tier I operating permit require a Tier I operating permit revision if such changes are subject to any requirement under Title IV of the CAA, 42 U.S.C. Section 7651 through 7651c, or are modifications under Title I of the CAA, 42 U.S.C. Section 7401 through 7515. Administrative amendments (IDAPA 58.01.01.381), minor permit modifications (IDAPA 58.01.01.383), and significant permit modifications (IDAPA 58.01.01.382) require a revision to the Tier I operating permit. IDAPA 58.01.01.502(b)(10) changes are authorized in accordance with IDAPA 58.01.01.384. Off-permit changes and required notice are authorized in accordance with IDAPA 58.01.01.385.

[IDAPA 58.01.01.381-385, 7/1/02; IDAPA 58.01.01.209.05, 4/5/00; 40 CFR 70.4(b)(14) and (15)]

Federal and State Enforceability

12. Unless specifically identified as a "State-only" provision, all terms and conditions in this permit, including any terms and conditions designed to limit a source's potential to emit, are enforceable: (i) by DEQ in accordance with state law; and (ii) by the United States or any other person in accordance with federal law.

[IDAPA 58.01.01.322.15.j, 5/1/94; 40 CFR 70.6(b)(1) and (2)]

13. Provisions specifically identified as a "State-only" provision are enforceable only in accordance with state law. "State-only" provisions are those that are not required under the Federal Clean Air Act or under any of its applicable requirements or those provisions adopted by the state prior to federal approval.

[Idaho Code §39-108; IDAPA 58.01.01.322.15.k, 3/23/98]

AIR QUALITY TIER I OPERATING PERMIT NUMBER: T1-050109					
Permittee:	Avista Corporation		Date Issued:	August 7, 2006	
	Th. 4.1. T.1.1.	Facility ID No. 055-00040	Date Modified/Amended:		
Location:	Rathdrum, Idaho		Date Expires:	August 7, 2011	

Inspection and Entry

- 14. Upon presentation of credentials, the permittee shall allow DEQ or an authorized representative of DEQ to do the following:
 - Enter upon the permittee's premises where a Tier I source is located or emissions related activity is conducted, or where records are kept under conditions of this permit;
 - b. Have access to and copy, at reasonable times, any records that are kept under the conditions of this permit:
 - c. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit; and
 - d. As authorized by the Idaho Environmental Protection and Health Act, sample or monitor, at reasonable times, substances or parameters for the purpose of determining or ensuring compliance with this permit or applicable requirements.

[Idaho Code §39-108; IDAPA 58.01.01.322.15.i, 3/19/99; 40 CFR 70.6(c)(2)]

New Requirements During Permit Term

15. The permittee shall comply with applicable requirements that become effective during the permit term on a timely basis.

[IDAPA 58.01.01.322.10, 4/6/05; IDAPA 58.01.01.314.10.a.ii, 5/1/94; 40 CFR 70.6(c)(3) citing 70.5(c)(8)]

Fees

16. The owner or operator of a Tier I source shall pay annual registration fees to DEQ in accordance with IDAPA 58.01.01.525 through IDAPA 58.01.01.538.

[IDAPA 58.01.01.322.15.n, 7/1/02; 40 CFR 70.6(a)(7)]

Certification

17. All documents submitted to DEQ shall be certified in accordance with IDAPA 58.01.01.123 and comply with IDAPA 58.01.01.124.

[IDAPA 58.01.01.322.15.o, 5/1/94; 40 CFR 70.6(a)(3)(iii)(A); 40 CFR 70.5(d)]

Renewal

18. a. The owner or operator of a Tier I source shall submit an application to DEQ for a renewal of this permit at least six months before, but no earlier than 18 months before, the expiration date of this operating permit. To ensure that the term of the operating permit does not expire before the permit is renewed, the owner or operator is encouraged to submit a renewal application nine months prior to the date of expiration.

[IDAPA 58.01.01.313.03, 4/5/00; 40 CFR 70.5(a)(1)(iii)]

AIR QUALITY TIER I OPERATING PERMIT NUMBER: T1-050109				
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Location:	Rathdrum, Idaho		Date Expires:	August 7, 2011

b. If a timely and complete application for a Tier I operating permit renewal is submitted, but DEQ fails to issue or deny the renewal permit before the end of the term of this permit, then all the terms and conditions of this permit including any permit shield that may have been granted pursuant to IDAPA 58.01.01.325 shall remain in effect until the renewal permit has been issued or denied.

[IDAPA 58.01.01.322.15.p, 5/1/94; 40 CFR 70.7(b)]

Permit Shield

- 19. Compliance with the terms and conditions of the Tier I operating permit, including those applicable to all alternative operating scenarios and trading scenarios, shall be deemed compliance with any applicable requirements as of the date of permit issuance, provided that:
 - a. Such applicable requirements are included and are specifically identified in the Tier I operating permit; or
 - i. DEQ has determined that other requirements specifically identified are not applicable and all of the criteria set forth in IDAPA 58.01.01.325.01(b) have been met.
 - b. The permit shield shall apply to permit revisions made in accordance with IDAPA 58.01.01.381.04 (administrative amendments incorporating the terms of a permit to construct), IDAPA 58.01.01.382.04 (significant modifications), and IDAPA 58.01.01.384.03 (trading under an emissions cap).
 - c. Nothing in this permit shall alter or affect the following:
 - i. Any administrative authority or judicial remedy available to prevent or terminate emergencies or imminent and substantial dangers;
 - ii. The liability of an owner or operator of a source for any violation of applicable requirements prior to or at the time of permit issuance;
 - iii. The applicable requirements of the acid rain program, consistent with 42 U.S.C. Section 7651(g)(a); and
 - iv. The ability of EPA to obtain information from a source pursuant to Section 114 of the CAA; or the ability of DEQ to obtain information from a source pursuant to Idaho Code §39-108 and IDAPA 58.01.01.122.

[idaho Code §39-108 and 112; IDAPA 58.01.01.122, 4/5/00; IDAPA 58.01.01.322.15.m, 325, 5/1/94; IDAPA 58.01.01.325, 3/19/99; IDAPA 58.01.01.381.04, 382.04, 383.05, 384.03, 385.03, 3/19/99; 40 CFR 70.6(f)]

Compliance Schedule and Progress Reports

- 20. a. For each applicable requirement for which the source is not in compliance, the permittee shall comply with the compliance schedule incorporated in this permit.
 - b. For each applicable requirement that will become effective during the term of this permit and that provides a detailed compliance schedule, the permittee shall comply with such requirements in accordance with the detailed schedule.
 - c. For each applicable requirement that will become effective during the term of this permit that does not contain a more detailed schedule, the permittee shall meet such requirements on a timely basis.

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			Date Expires:	August 7, 2011			

d. For each applicable requirement with which the permittee is in compliance, the permittee shall continue to comply with such requirements.

[IDAPA 58.01.01.322.10, 4/5/00; IDAPA 58.01.01.314.9, 5/1/94; IDAPA 58.01.01.314.10, 4/5/00; 40 CFR 70.6(c)(3) and (4)]

Periodic Compliance Certification

- 21. The permittee shall submit compliance certifications during the term of the permit for each emissions unit to DEQ and the EPA as follows:
 - a. The compliance certifications for all emissions units shall be submitted annually from January 1 to December 31 or more frequently if specified by the underlying applicable requirement or elsewhere in this permit by DEQ.
 - The initial compliance certification for each emissions unit shall address all of the terms and conditions contained in the Tier I operating permit that are applicable to such emissions unit including emissions limitations, standards, and work practices;
 - c. The compliance certification shall be in an itemized form providing the following information (provided that the identification of applicable information may cross-reference the permit or previous reports as applicable):
 - i. The identification of each term or condition of the Tier I operating permit that is the basis of the certification;
 - ii. The identification of the method(s) or other means used by the owner or operator for determining the compliance status with each term and condition during the certification period, and whether such methods or other means provide continuous or intermittent data. Such methods and other means shall include, at a minimum, the methods and means required by this Tier I operating permit. If necessary, the owner or operator shall identify any other material information that must be included in the certification to comply with Section 113(c)(2) of the CAA which prohibits knowingly making a false certification or omitting material information;
 - iii. The status of compliance with the terms and conditions of the permit for the period covered by the certification, based on the method or means designated in Paragraph 21.c.ii above. The certification shall identify each deviation and take it into account in the compliance certification. The certification shall also identify as possible exceptions to compliance any periods during which compliance is required and in which an excursion or exceedance as defined under 40 CFR Part 64 occurred.
 - iv. Such other facts as DEQ may require to determine the compliance status of the source.
 - d. All original compliance certifications shall be submitted to DEQ and a copy of all compliance certifications shall be submitted to the EPA.

[IDAPA 58.01.01.322.11, 4/6/05; 40 CFR 70.6(c)(5)(III) as amended, 62 Fed. Reg. 54900, 54946 (10/22/97); 40 CFR 70.6(c)(5)(IV)]

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			Date Expires:	August 7, 2011			

False Statements

22. No person shall knowingly make any false statement, representation, or certification in any form, notice, or report required under this permit, or any applicable rule or order in force pursuant thereto.

[IDAPA 58.01.01.125, 3/23/98]

No Tampering

23. No person shall knowingly render inaccurate any monitoring device or method required under this permit or any applicable rule or order in force pursuant thereto.

[IDAPA 58.01.01.126, 3/23/98]

Semiannual Monitoring Reports

24. In addition to all applicable reporting requirements identified in this permit, the permittee shall submit reports of any required monitoring at least every six months. The permittee's semiannual reporting periods shall be from January 1 to June 30 and July 1 to December 31. All instances of deviations from this operating permit's requirements must be clearly identified in the report. The semiannual reports shall be submitted to DEQ within 30 days of the end of the specified reporting period.

[IDAPA 58.01.01.322.15.q, 3/23/98; IDAPA 58.01.01.322.08.c, 4/5/00; 40 CFR 70.6(a)(3)(iii)]

Reporting Deviations and Excess Emissions

The permittee shall promptly report all deviations from permit requirements including upset conditions, their probable cause, and any corrective actions or preventive measures taken. For excess emissions, the report shall be made in accordance with IDAPA 58.01.01.130-136. For all other deviations, the report shall be made in accordance with IDAPA 58.01.01.322.08.c, unless otherwise specified in this permit.

[IDAPA 58.01.01.322.15.q, 3/23/98; IDAPA 58.01.01.135, 4/5/00; 40 CFR 70.6(a)(3)(lii)]

Permit Revision Not Required

26. No permit revision shall be required under any approved economic incentives, marketable permits, emissions trading, and other similar programs or processes for changes that are provided for in the permit.

[IDAPA 58.01.01.322.05.b, 4/5/00; 40 CFR 70.6(a)(8)]

Emergency

27. In accordance with IDAPA 58.01.01.332, an "emergency" as defined in IDAPA 58.01.01.008, constitutes an affirmative defense to an action brought for noncompliance with such technology-based emissions limitation if the conditions of IDAPA 58.01.01.332.02 are met.

[IDAPA 58.01.01.332.01, 4/5/00; 40 CFR 70.6(g)]